

January 30, 2023

M.S. Life Drug House Private Limited: Ratings Downgraded and Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based- Cash Credit	20.00	20.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB+ (Stable) and continues to remain under 'Issuer Not Cooperating' category
Short Term-Non Fund Based-Others	1.30	1.30	[ICRA]A4; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA] A4+ and continues to remain under 'Issuer Not Cooperating' category
Total	21.30	21.30	

*Issuer did not cooperate; based on best available information.

^Instrument details are provided in Annexure-1

Rationale

The rating downgrade is because of lack of adequate information regarding M.S. Life Drug House Pvt Ltd.'s performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at www.icra.in. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

As part of its process and in accordance with its rating agreement with M.S. Life Drug House Pvt Ltd., ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, a rating view has been taken on the entity based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Key financial indicators and Rating sensitivities: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Incorporated in 2000, MSLDH is in the distribution business of pharmaceutical products, catering to more than 19,000 pharmaceutical outlets via wholesalers/ retailers across West Bengal. The company is one of the largest distributors of pharmaceutical drugs in West Bengal. The company operates from its Kolkata office at Mehta Building, which also houses its warehouse and storage facilities. It trades in branded drugs with supplies from major pharmaceutical companies in India. MSLDH also operates five fair-price medicine outlets in West Bengal at Government hospitals for selling basic generic drugs at a discounted price.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2023)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020
					30-Jan-2023			
1	Fund Based-Cash Credit	Long-Term	20.00	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING	[ICRA]BBB (Stable)	[ICRA]BBB- (Stable)
2	Non Fund Based- Others	Short-Term	1.30	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; ISSUER NOT COOPERATING	[ICRA]A3+	[ICRA]A3

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund Based-Cash Credit	Simple
Non-Fund Based-Others	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Fund-Based-Cash Credit	NA	NA	NA	20.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Non-Fund-Based- Others	NA	NA	NA	1.30	[ICRA]A4; ISSUER NOT COOPERATING

Source: M.S. Life Drug House Pvt Ltd.

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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Branches



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